



Financial and Policyholder Activity

Monthly Report

October 2006

SUMMARY OF UNAUDITED HIRSP FINANCIALS FOR THE FOUR MONTHS ENDED OCTOBER 31, 2006

The balance sheet remained strong and stable. Total footings decreased from \$88.4 million as of September 30, 2006 to \$85.5 million as of October 31, 2006. The decrease of \$2.9 million is largely attributable to the use of cash for claims and expenses due to a higher workday month.

Unpaid medical and drug liabilities decreased \$706 thousand from September to October.

Fund equity increased \$472 thousand to \$28.4 million as of October 31, 2006. Policyholder surplus increased from September to October, while the provider deficit improved from \$2.6 million to \$2.4 million as of October 31, 2006. The insurer surplus decreased slightly to \$7.1 million as of October 31, 2006.

For the four months ended October 31, 2006, the total net income was \$4.8 million compared to \$1.2 million for the four months ended October 31, 2005. Net revenue increased \$99 thousand from \$59.2 million for the four months ended October 31, 2005 to \$59.3 million for the same period in 2006. Net premiums decreased \$743 thousand during the corresponding periods as the subscriber base continues to decrease or change plans between years. There were 19,066 contracts in force as of October 31, 2005 compared to 18,230 as of October 31, 2006.

Medical losses decreased \$948 thousand from \$41.8 million for the four months ended October 31, 2005 to \$40.8 million for the four months ended October 31, 2006. During the same time periods, pharmacy losses decreased \$2.1 million. The improvement in the two losses combined resulted in a favorable financial impact of over \$3.0 million.

Administrative expenses have also decreased between years, going from \$2.2 million in 2005 to \$2.1 million in 2006. The largest decrease is WPS administrative expenses which were lower in 2006 as contract counts have decreased as well as having change order differences between the two periods.

Investment income is \$423 thousand higher for the four months ended October 31, 2006, going from \$509 thousand during that period in 2005 to \$932 thousand in 2006.

From the budget perspective, the total revenues are under budget nearly \$5.8 million as the decrease in contracts is creating a shortfall in premium and the improved loss ratios are resulting in less provider contribution.

Medical and pharmacy losses are not as high as budgeted by \$12.8 million. Administrative expenses are below budget by \$129 thousand while investment income is \$316 thousand ahead of budget.

Overall, net income of \$4.8 million is \$7.5 million ahead of budget for the four months ended October 31, 2006.

**HEALTH INSURANCE RISK SHARING PLAN AUTHORITY
OCTOBER 2006 MONTHLY REPORT
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Health Insurance Risk Sharing Plan Authority

October 31, 2006

Fiscal Year 2007

Unaudited Balance Sheet

Assets	July	August	September	October	November	December	January	February	March	April	May	June
Cash and Cash Equivalents	52,535,676	52,187,787	59,931,373	63,248,544	-	-	-	-	-	-	-	-
Other Receivables	1,003,739	886,944	1,163,203	645,048	-	-	-	-	-	-	-	-
Drug Rebates Receivable	1,797,384	1,680,782	2,492,174	1,956,326	-	-	-	-	-	-	-	-
Assessments Receivable	39,566,370	29,739,007	24,746,526	19,598,779	-	-	-	-	-	-	-	-
Prepaid Items	303	1,817	22,008	21,984	-	-	-	-	-	-	-	-
Net Fixed Assets	2,202	4,208	5,145	13,337	-	-	-	-	-	-	-	-
Total Assets	94,905,674	84,500,545	88,360,429	85,484,018	-	-	-	-	-	-	-	-
Liabilities and Fund Equity												
Liabilities:												
Unpaid Medical Loss Liabilities	15,271,032	12,302,689	13,167,955	12,674,610	-	-	-	-	-	-	-	-
Unpaid Prescription Drug Loss Liabilities	658,948	530,839	749,131	536,315	-	-	-	-	-	-	-	-
Unpaid Loss Adjustment Expense	770,000	770,000	770,000	770,000	-	-	-	-	-	-	-	-
Unearned Premiums	14,283,275	8,605,614	13,862,680	13,739,522	-	-	-	-	-	-	-	-
Unearned Assessments	36,272,126	32,974,660	29,677,194	26,596,854	-	-	-	-	-	-	-	-
Accounts Payable and Other Accrued Liabilities	2,264,099	2,318,386	2,184,797	2,746,502	-	-	-	-	-	-	-	-
Total Liabilities	69,519,480	57,502,188	60,411,757	57,063,803	-	-	-	-	-	-	-	-
Fund Equity:												
Policyholder	20,926,858	22,739,986	23,657,034	23,763,991	-	-	-	-	-	-	-	-
Providers	(1,914,253)	(2,496,539)	(2,583,121)	(2,447,430)	-	-	-	-	-	-	-	-
Insurers	6,457,811	6,947,199	7,153,839	7,103,654	-	-	-	-	-	-	-	-
Unfunded Deductible and Coinsurance Subsidy	(84,222)	(192,289)	(279,080)	-	-	-	-	-	-	-	-	-
Total Retained Earnings	25,386,194	26,998,357	27,948,672	28,420,215	-	-	-	-	-	-	-	-
Total Liabilities and Fund Equity	94,905,674	84,500,545	88,360,429	85,484,018	-	-	-	-	-	-	-	-

Health Insurance Risk Sharing Plan Authority
for the Period Ended October 31, 2006
Fiscal Year 2007

Unaudited Statement of Revenues, Expenses, and Changes in Retained Earnings

Operating Revenues	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Year to Date
July	August	September	October	November	December	January	February	March	April	May	June		
Gross Premiums	9,085,833	9,328,105	9,335,594	8,993,791	-	-	-	-	-	-	-	-	36,743,323
Premium Subsidized	(426,469)	(426,061)	(424,638)	(429,924)	-	-	-	-	-	-	-	-	(1,707,092)
Net Premium Revenues	8,659,364	8,902,044	8,910,956	8,563,867	-	-	-	-	-	-	-	-	35,036,231
Provider Contribution	2,839,150	2,225,792	3,004,245	3,266,217	-	-	-	-	-	-	-	-	11,335,404
Insurer Assessments	3,297,466	3,297,466	3,297,466	3,080,340	-	-	-	-	-	-	-	-	12,972,738
Total Operating Revenues	14,795,980	14,425,302	15,212,667	14,910,424	-	-	-	-	-	-	-	-	59,344,373
Operating Expenses													
Medical Losses:													
Losses Paid or Approved for Payment	7,859,468	13,117,708	10,037,183	11,544,227	-	-	-	-	-	-	-	-	42,558,586
Increase (Decrease) in Unpaid Losses	1,601,955	(4,033,978)	1,149,939	(649,948)	-	-	-	-	-	-	-	-	(1,932,032)
Deductible Subsidy Paid	48,747	65,582	42,353	37,039	-	-	-	-	-	-	-	-	193,721
Total Medical Losses	9,510,170	9,149,312	11,229,475	10,931,318	-	-	-	-	-	-	-	-	40,820,275
Pharmacy Losses:													
Losses Paid or Approved for Payment	3,239,102	3,713,167	3,397,385	3,613,125	-	-	-	-	-	-	-	-	13,962,779
Increase (Decrease) in Unpaid Losses	101,525	(128,109)	218,292	(212,816)	-	-	-	-	-	-	-	-	(21,108)
Drug Rebates	(205,575)	(218,012)	(951,667)	(226,117)	-	-	-	-	-	-	-	-	(1,601,371)
Subsidy - Coinsurance Out-of-Pocket Max	35,475	42,485	44,438	55,586	-	-	-	-	-	-	-	-	177,984
Total Pharmacy Losses	3,170,527	3,409,531	2,708,448	3,229,778	-	-	-	-	-	-	-	-	12,518,284
Total Losses	12,680,697	12,558,843	13,937,923	14,161,096	-	-	-	-	-	-	-	-	53,338,559
Loss adjustment expenses	-	-	-	-	-	-	-	-	-	-	-	-	-
Administrative expenses													
Authority Admin Fees	22,425	45,025	28,343	40,713	-	-	-	-	-	-	-	-	136,506
WPS Admin Fees	378,515	315,560	382,043	383,276	-	-	-	-	-	-	-	-	1,459,394
Navitus Admin Fees	102,405	100,590	100,529	100,265	-	-	-	-	-	-	-	-	403,789
Milliman USA Actuarial Services	5,000	10,550	10,118	3,914	-	-	-	-	-	-	-	-	29,582
Other Admin Fees	3,061	(1,807)	1,939	2,500	-	-	-	-	-	-	-	-	5,693
DHFS Admin Fees	1,116	-	20,391	151	-	-	-	-	-	-	-	-	21,658
Total Administrative Expenses	512,522	469,918	543,363	530,819	-	-	-	-	-	-	-	-	2,056,622
Referral fees	5,570	3,810	4,550	4,340	-	-	-	-	-	-	-	-	18,270
Total Operating Expenses	13,198,789	13,032,571	14,485,836	14,696,255	-	-	-	-	-	-	-	-	55,413,451
Net Operating Income (Loss)	1,597,191	1,392,731	726,831	214,169	-	-	-	-	-	-	-	-	3,930,922
Non-Operating Revenues (Expenses)													
Federal Grant	-	-	-	-	-	-	-	-	-	-	-	-	-
Investment Income	231,598	219,432	223,484	257,374	-	-	-	-	-	-	-	-	931,888
Miscellaneous Income	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Non-operating Revenues (Expenses)	231,598	219,432	223,484	257,374	-	-	-	-	-	-	-	-	931,888
Net Income (Loss)	1,828,789	1,612,163	950,315	471,543	-	-	-	-	-	-	-	-	4,862,810
Additions to Retained Earnings													
Policyholder													
Retained Earnings, Beginning of Period	19,486,584	20,926,858	22,739,986	23,657,034	-	-	-	-	-	-	-	-	19,486,584
Unfunded Policyholder Subsidies	-	-	-	(371,705)	-	-	-	-	-	-	-	-	(371,705)
Current Earnings	1,440,274	1,813,128	917,048	478,662	-	-	-	-	-	-	-	-	4,649,112
Retained Earnings, End of Period	20,926,858	22,739,986	23,657,034	23,763,991	-	-	-	-	-	-	-	-	23,763,991
Providers													
Retained Earnings, Beginning of Period	(1,921,463)	(1,914,253)	(2,496,539)	(2,583,121)	-	-	-	-	-	-	-	-	(1,921,463)
Premium Subsidy Underpayment Adj.	-	-	-	-	-	-	-	-	-	-	-	-	-
Current Earnings	7,210	(582,286)	(86,582)	135,691	-	-	-	-	-	-	-	-	(525,967)
Retained Earnings, End of Period	(1,914,253)	(2,496,539)	(2,583,121)	(2,447,430)	-	-	-	-	-	-	-	-	(2,447,430)
Insurers													
Retained Earnings, Beginning of Period	5,992,284	6,457,811	6,947,199	7,153,839	-	-	-	-	-	-	-	-	5,992,284
Premium Subsidy Underpayment Adj.	-	-	-	-	-	-	-	-	-	-	-	-	-
Current Earnings	465,527	489,388	206,640	(50,185)	-	-	-	-	-	-	-	-	1,111,370
Retained Earnings, End of Period	6,457,811	6,947,199	7,153,839	7,103,654	-	-	-	-	-	-	-	-	7,103,654
Unfunded Deductible and Coinsurance Subsidy													
Retained Earnings, Beginning of Period	-	(84,222)	(192,289)	(279,080)	-	-	-	-	-	-	-	-	-
Current Earnings	(84,222)	(108,067)	(86,791)	279,080	-	-	-	-	-	-	-	-	-
Retained Earnings, End of Period	(84,222)	(192,289)	(279,080)	-	-	-	-	-	-	-	-	-	-
Total Retained Earnings	25,386,194	26,998,357	27,948,672	28,420,215	-	-	-	-	-	-	-	-	28,420,215

Health Insurance Risk Sharing Plan Authority
Comparison of Current vs. Prior Month and Current Fiscal Year-to-Date Vs. Prior Fiscal Year-to-Date
Unaudited Statement of Revenues, Expenses, and Changes in Retained Earnings
Fiscal Year 2007

Operating Revenues	Oct 2006	Sep 2006	Variance		Fiscal Year-to-Date Through Oct 2006	Fiscal Year-to-Date Through Oct 2005	Variance
	July	August	September		November	December	January
Gross Premiums	8,993,791	9,335,594	(341,803)	October	36,743,323	37,448,039	(704,716)
Premium Subsidized	(429,924)	(424,638)	(5,286)		(1,707,092)	(1,669,023)	(38,069)
Net Premium Revenues	8,563,867	8,910,956	(347,089)		35,036,231	35,779,016	(742,785)
Provider Contribution	3,266,217	3,004,245	261,972		11,335,404	10,506,609	828,795
Insurer Assessments	3,080,340	3,297,466	(217,126)		12,972,738	12,959,696	13,042
Total Operating Revenues	14,910,424	15,212,667	(302,243)		59,344,373	59,245,321	99,052
Operating Expenses							
Medical Losses:							
Losses Paid or Approved for Payment	11,544,227	10,037,183	(1,507,044)		42,558,586	42,034,155	(524,431)
Increase (Decrease) in Unpaid Losses	(649,948)	1,149,939	1,799,887		(1,932,032)	(457,986)	1,474,046
Deductible Subsidy Paid	37,039	42,353	5,314		193,721	191,938	(1,783)
Total Medical Losses	10,931,318	11,229,475	298,157		40,820,275	41,768,107	947,832
Pharmacy Losses:							
Losses Paid or Approved for Payment	3,613,125	3,397,385	(215,740)		13,962,779	15,794,868	1,832,089
Increase (Decrease) in Unpaid Losses	(212,816)	218,292	431,108		(21,108)	(396,526)	(375,418)
Drug Rebates	(226,117)	(951,667)	(725,550)		(1,601,371)	(973,085)	628,286
Subsidy - Coinsurance Out-of-Pocket Max	55,586	44,438	(11,148)		177,984	170,119	(7,865)
Total Pharmacy Losses	3,229,778	2,708,448	(521,330)		12,518,284	14,595,376	2,077,092
Total Losses	14,161,096	13,937,923	(223,173)		53,338,559	56,363,483	3,024,924
Loss adjustment expenses	-	-	-		-	-	-
Administrative expenses							
Authority Admin Fees	40,713	28,343	(12,370)		136,506	-	(136,506)
WPS Admin Fees	383,276	382,043	(1,233)		1,459,394	1,595,943	136,549
Navitus Admin Fees	100,265	100,529	264		403,789	424,034	20,245
Milliman USA Actuarial Services	3,914	10,118	6,204		29,582	45,678	16,096
Other Admin Fees And Expenses	2,500	1,939	(561)		5,693	10,500	4,807
DHFS Admin Fees	151	20,391	20,240		21,658	113,107	91,449
EDS Admin Fees	-	-	-		-	-	-
Total Administrative Expenses	530,819	543,363	12,544		2,056,622	2,189,262	132,640
Referral fees	4,340	4,550	210		18,270	27,860	9,590
Total Operating Expenses	14,696,255	14,485,836	(210,419)		55,413,451	58,580,605	3,167,154
Net Operating Income (Loss)	214,169	726,831	(512,662)		3,930,922	664,716	3,266,206
Non-Operating Revenues (Expenses)							
Federal Grant	-	-	-		-	-	-
Investment Income	257,374	223,484	33,890		931,888	509,346	422,542
Miscellaneous Income	-	-	-		-	-	-
Total Non-operating Revenues (Expenses)	257,374	223,484	33,890		931,888	509,346	422,542
Net Income (Loss)	471,543	950,315	(478,772)		4,862,810	1,174,062	3,688,748

Health Insurance Risk Sharing Plan Authority
Comparison of Budget Vs. Actual
Unaudited Statement of Revenues, Expenses, and Changes in Retained Earnings
Fiscal Year 2007

	Oct 2006 Budget	Oct 2006 Actual	Variance		Year-to-Date Through Oct 2006 Budget	Year-to-Date Through Oct 2006 Actual	Variance
Operating Revenues	July	August	September	October	November	December	January
Gross Premiums	9,745,405	8,993,791	(751,614)		39,003,095	36,743,323	(2,259,772)
Premium Subsidized	(375,922)	(429,924)	(54,002)		(1,490,986)	(1,707,092)	(216,106)
Net Premium Revenues	9,369,483	8,563,867	(805,616)		37,512,109	35,036,231	(2,475,878)
Provider Contribution	3,780,346	3,266,217	(514,129)		14,630,877	11,335,404	(3,295,473)
Insurer Assessments	3,302,901	3,080,340	(222,561)		12,972,738	12,972,738	-
Total Operating Revenues	16,452,730	14,910,424	(1,542,306)		65,115,724	59,344,373	(5,771,351)
Operating Expenses							
Medical and Pharmacy Losses:	16,748,704	14,068,471	2,680,233		65,791,899	52,966,854	12,825,045
Deductible Subsidy/RX OOP Max	93,136	92,625	511		379,000	371,705	7,295
Total Losses	16,841,840	14,161,096	2,680,744		66,170,899	53,338,559	12,832,340
Loss adjustment expenses	-	-	-		-	-	-
Total Administrative Expenses	546,396	530,819	15,577		2,186,108	2,056,622	129,486
Referral fees	6,128	4,340	1,788		26,216	18,270	7,946
Total Operating Expenses	17,394,364	14,696,255	2,698,109		68,383,223	55,413,451	12,969,772
Net Operating Income (Loss)	(941,634)	214,169	1,155,803		(3,267,499)	3,930,922	7,198,421
Non-Operating Revenues (Expenses)							
Investment Income	153,965	257,374	103,409		616,007	931,888	315,881
Net Income (Loss)	(787,669)	471,543	1,259,212		(2,651,492)	4,862,810	7,514,302

Health Insurance Risk Sharing Plan Authority
Fiscal Year 2007 Interim Reconciliation
As of October 31, 2006

	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Year to Date
1. Operating and Administrative Costs under s.149.143(1)	July	August	September	October	November	December	January	February	March	April	May	June	
Medical Losses Paid or Approved for Payment	7,859,468	13,117,708	10,037,183	11,544,227	-	-	-	-	-	-	-	-	42,558,586
Increase (Decrease) in Unpaid Medical Losses	1,601,955	(4,033,978)	1,149,939	(649,948)	-	-	-	-	-	-	-	-	(1,932,032)
Pharmacy Losses Paid or Approved for Payment	3,239,102	3,713,167	3,397,385	3,613,125	-	-	-	-	-	-	-	-	13,962,779
Increase (Decrease) in Unpaid Pharmacy Losses	101,525	(128,109)	218,292	(212,816)	-	-	-	-	-	-	-	-	(21,108)
Drug Rebates	(205,575)	(218,012)	(951,667)	(226,117)	-	-	-	-	-	-	-	-	(1,601,371)
Total Administrative Expenses	518,092	473,728	547,913	535,159	-	-	-	-	-	-	-	-	2,074,892
Loss Adjustment Expense	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Operating Expense	13,114,567	12,924,504	14,399,045	14,603,630	-	-	-	-	-	-	-	-	55,041,746
2. Adjustments to Operating and Administrative Costs													
Total Non-operating Revenue (Expense)	231,598	219,432	223,484	257,374	-	-	-	-	-	-	-	-	931,888
3. Total Fiscal Year Program Costs to be Split 60% 20% 20%	12,882,969	12,705,072	14,175,561	14,346,256	-	-	-	-	-	-	-	-	54,109,858
4. Year-to-Date Adjusted Program Costs Under s.149.143(1) (Excluding Subsidy Costs)													
Funding Shares													
60% Policyholders	7,729,781	7,623,044	8,505,337	8,607,754	-	-	-	-	-	-	-	-	32,465,916
20% Providers	2,576,594	2,541,014	2,835,112	2,869,251	-	-	-	-	-	-	-	-	10,821,971
20% Insurers	2,576,594	2,541,014	2,835,112	2,869,251	-	-	-	-	-	-	-	-	10,821,971
5. Subsidy Funding Shares													
Premium subsidies	426,469	426,061	424,638	429,924	-	-	-	-	-	-	-	-	1,707,092
Deductible Subsidies	48,747	65,582	42,353	37,039	-	-	-	-	-	-	-	-	193,721
Subsidy - coinsurance out-of-pocket Max	35,475	42,485	44,438	55,586	-	-	-	-	-	-	-	-	177,984
Total Subsidies	510,691	534,128	511,429	522,549	-	-	-	-	-	-	-	-	2,078,797
Subsidy Funding Needed by Source in addition to Section 3 Funding Shares													
Providers	255,346	267,064	255,715	261,275	-	-	-	-	-	-	-	-	1,039,400
Insurers	255,345	267,064	255,714	261,274	-	-	-	-	-	-	-	-	1,039,397
6. Year-to-Date Adjusted Program Costs Under s.149.143(1) (Including Subsidy Costs)													
Policyholders	7,729,781	7,623,044	8,505,337	8,607,754	-	-	-	-	-	-	-	-	32,465,916
Providers	2,831,940	2,808,078	3,090,827	3,130,526	-	-	-	-	-	-	-	-	11,861,371
Insurers	2,831,939	2,808,078	3,090,826	3,130,525	-	-	-	-	-	-	-	-	11,861,368
7. Non-GPR Revenues by Source Including GPR Subsidies Under s.20.435(4)(ah)													
Policyholders													
Premium	8,659,364	8,902,044	8,910,956	8,563,867	-	-	-	-	-	-	-	-	35,036,231
Premium and Deductible Subsidies Credited to Policyholders	510,691	534,128	511,429	522,549	-	-	-	-	-	-	-	-	2,078,797
Subtotal	9,170,055	9,436,172	9,422,385	9,086,416	-	-	-	-	-	-	-	-	37,115,028
Providers	2,839,150	2,225,792	3,004,245	3,266,217	-	-	-	-	-	-	-	-	11,335,404
Insurers	3,297,466	3,297,466	3,297,466	3,080,340	-	-	-	-	-	-	-	-	12,972,738
Total	15,306,671	14,959,430	15,724,096	15,432,973	-	-	-	-	-	-	-	-	61,423,170

8. Interim Estimate of Surplus/(Deficit) Account Balance for FY 2007

Policyholders

Prior Period Surplus / (Deficit)	19,486,584	20,926,858	22,739,986	23,657,034	-	-	-	-	-	-	-	-	19,486,584
Premium (Including Premium and Deductible Subsidies)	9,170,055	9,436,172	9,422,385	9,086,416	-	-	-	-	-	-	-	-	37,115,028
Less Cost	7,729,781	7,623,044	8,505,337	8,607,754	-	-	-	-	-	-	-	-	32,465,916
Less Unfunded Policyholder Subsidies	-	-	-	371,705	-	-	-	-	-	-	-	-	371,705
Monthly Change	1,440,274	1,813,128	917,048	106,957	-	-	-	-	-	-	-	-	4,277,407
Ending Surplus / (Deficit)	20,926,858	22,739,986	23,657,034	23,763,991	-	-	-	-	-	-	-	-	23,763,991
Assigned Surplus to SFY 2006	-	-	-	-	-	-	-	-	-	-	-	-	-
Unassigned Surplus	20,926,858	22,739,986	23,657,034	23,763,991	-	-	-	-	-	-	-	-	23,763,991

Providers

Prior Period Surplus / (Deficit)	(1,921,463)	(1,914,253)	(2,496,539)	(2,583,121)	-	-	-	-	-	-	-	-	(1,921,463)
Contribution	2,839,150	2,225,792	3,004,245	3,266,217	-	-	-	-	-	-	-	-	11,335,404
Less Cost	2,831,940	2,808,078	3,090,827	3,130,526	-	-	-	-	-	-	-	-	11,861,371
Premium Subsidy Underpayment Adj.	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Change	7,210	(582,286)	(86,582)	135,691	-	-	-	-	-	-	-	-	(525,967)
Ending Surplus / (Deficit)	(1,914,253)	(2,496,539)	(2,583,121)	(2,447,430)	-	-	-	-	-	-	-	-	(2,447,430)

Insurers

Prior Period Surplus / (Deficit)	5,992,284	6,457,811	6,947,199	7,153,839	-	-	-	-	-	-	-	-	5,992,284
Assessment	3,297,466	3,297,466	3,297,466	3,080,340	-	-	-	-	-	-	-	-	12,972,738
Less Cost	2,831,939	2,808,078	3,090,826	3,130,525	-	-	-	-	-	-	-	-	11,861,368
Premium Subsidy Underpayment Adj.	-	-	-	-	-	-	-	-	-	-	-	-	-
Monthly Change	465,527	489,388	206,640	(50,185)	-	-	-	-	-	-	-	-	1,111,370
Ending Surplus / (Deficit)	6,457,811	6,947,199	7,153,839	7,103,654	-	-	-	-	-	-	-	-	7,103,654

Unfunded Deductible and Coinsurance Subsidy

Prior Period Surplus / (Deficit)	-	(84,222)	(192,289)	(279,080)	-	-	-	-	-	-	-	-	-
Monthly Change	(84,222)	(108,067)	(86,791)	279,080	-	-	-	-	-	-	-	-	636,417
Ending Surplus / (Deficit)	(84,222)	(192,289)	(279,080)	-	-	-	-	-	-	-	-	-	636,417

Total HIRSP Retained Earnings	25,386,194	26,998,357	27,948,672	28,420,215	-	-	-	-	-	-	-	-	29,056,632
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**WISCONSIN HEALTH INSURANCE RISK SHARING PLAN
MONTHLY PROVIDER CONTRIBUTION REPORT
AS OF OCTOBER 2006 MONTH END(10/27/2006)**

Provider Share Calculation for the Current Month - Claims by Claim Type					
Regular Claims					
Claim Type	Billed Charges	U&C Percentage	Usual and Customary	Less HIRSP Allowed Charges	Provider Share
Professional	\$ 7,606,274.29	28.5%	\$ 5,438,486.12	\$ 3,206,360.67	\$ 2,232,125.45
Hospital Outpatient	\$ 4,361,599.77	28.5%	\$ 3,118,543.84	\$ 2,860,259.86	\$ 258,283.98
Hospital Inpatient	\$ 4,845,416.11	28.5%	\$ 3,464,472.52	\$ 2,635,007.83	\$ 829,464.69
Nursing Home	\$ 8,287.84	28.5%	\$ 5,925.81	\$ 1,892.40	\$ 4,033.41
Other	\$ 663,285.17	28.5%	\$ 474,248.90	\$ 412,673.95	\$ 61,574.95
Total	\$ 17,484,863.18		\$ 12,501,677.17	\$ 9,116,194.71	\$ 3,385,482.46

Crossover Claims					
Claim Type	Medicare Allowed Charges	Medicare Paid	HIRSP Paid	HIRSP Deductible/ Coinsurance	Provider Share
Professional	\$ 686,136.93	\$ 417,352.50	\$ 220,831.42	\$ 11,607.82	\$ 36,345.19
Hospital Outpatient	\$ 411,245.29	\$ 317,166.54	\$ 92,891.62	\$ 5,619.44	\$ (4,432.31)
Hospital Inpatient	\$ 272,130.65	\$ 231,855.48	\$ 40,426.99	\$ (53.82)	\$ (98.00)
Nursing Home	\$ 12,549.91	\$ 11,308.82	\$ 1,717.58	\$ -	\$ (476.49)
Other	\$ 134,552.37	\$ 86,009.09	\$ 40,851.80	\$ 1,692.51	\$ 5,998.97
Total	\$ 1,516,615.15	\$ 1,063,692.43	\$ 396,719.41	\$ 18,865.95	\$ 37,337.36

Provider Contribution on the Increase(Decrease) in Unpaid Losses	\$ (172,177.00)
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Total Provider Contribution Non-Pharmacy	\$ 3,250,642.82
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Pharmacy Claims					
Claim Type	Billed Charges	U&C Percentage	Usual and Customary	Less HIRSP Allowed Charges	Provider Share
Prescription Drug not processed by PBM	\$ -	0.0%			\$ -
Prescription Drug processed by PBM	\$ 6,066,697.17	0.0%	\$ 4,077,268.99	\$ 4,077,268.99	\$ -
Total Provider Contribution Pharmacy	\$ 6,066,697.17		\$ 4,077,268.99	\$ 4,077,268.99	\$ -

Wisconsin Health Insurance Risk-Sharing Plan
Breakdown of Incurred Claims and Earned Premium
by Quarter and Plan

1 Q 05					
Plan	Total Dollars			Per Member Per Month	
	Incurred	Earned	Loss	Incurred	Earned
	Claims	Premium	Ratio	Claims	Premium
Plan 1A	21,354,334	\$10,781,000	198.1%	\$921.40	\$465.18
Plan 1B	12,138,512	11,235,000	108.0%	437.98	405.38
Plan 2	4,549,806	2,380,000	191.2%	892.29	466.76
Total	38,042,651	\$24,396,000	155.9%	\$679.45	\$435.72
2 Q 05					
Plan	Total Dollars			Per Member Per Month	
	Incurred	Earned	Loss	Incurred	Earned
	Claims	Premium	Ratio	Claims	Premium
Plan 1A	21,357,824	\$10,918,770	195.6%	\$908.30	\$464.35
Plan 1B	12,999,783	10,810,698	120.2%	456.74	379.83
Plan 2	5,070,024	2,144,285	236.4%	990.63	418.97
Total	39,427,631	\$23,873,753	165.2%	\$690.57	\$418.15
3 Q 05					
Plan	Total Dollars			Per Member Per Month	
	Incurred	Earned	Loss	Incurred	Earned
	Claims	Premium	Ratio	Claims	Premium
Plan 1A	21,926,902	\$12,087,026	181.4%	\$945.61	\$521.26
Plan 1B	15,002,978	13,392,242	112.0%	522.10	466.04
Plan 2	5,066,581	2,760,043	183.6%	1,002.89	546.33
Total	41,996,461	\$28,239,310	148.7%	\$737.09	\$495.64
4 Q 05					
Plan	Total Dollars			Per Member Per Month	
	Incurred	Earned	Loss	Incurred	Earned
	Claims	Premium	Ratio	Claims	Premium
Plan 1A	25,498,268	\$12,075,692	211.2%	\$1,113.02	\$527.12
Plan 1B	17,482,197	13,565,749	128.9%	603.98	468.67
Plan 2	5,008,562	2,698,872	185.6%	1,051.78	566.75
Total	47,989,026	\$28,340,313	169.3%	\$847.62	\$500.57
1 Q 06					
Plan	Total Dollars			Per Member Per Month	
	Incurred	Earned	Loss	Incurred	Earned
	Claims	Premium	Ratio	Claims	Premium
Plan 1A	22,909,215	\$11,152,584	205.4%	\$1,061.25	\$516.63
Plan 1B	15,020,963	14,260,163	105.3%	490.62	465.77
Plan 2	4,092,885	2,324,418	176.1%	973.57	552.91
Total	42,023,063	\$27,737,165	151.5%	\$745.00	\$491.73
2 Q 06					
Plan	Total Dollars			Per Member Per Month	
	Incurred	Earned	Loss	Incurred	Earned
	Claims	Premium	Ratio	Claims	Premium
Plan 1A	23,460,407	\$11,064,423	212.0%	\$1,095.41	\$516.62
Plan 1B	17,327,079	14,364,077	120.6%	559.15	463.54
Plan 2	3,186,977	1,991,718	160.0%	878.44	548.99
Total	43,974,464	\$27,420,218	160.4%	\$784.80	\$489.36

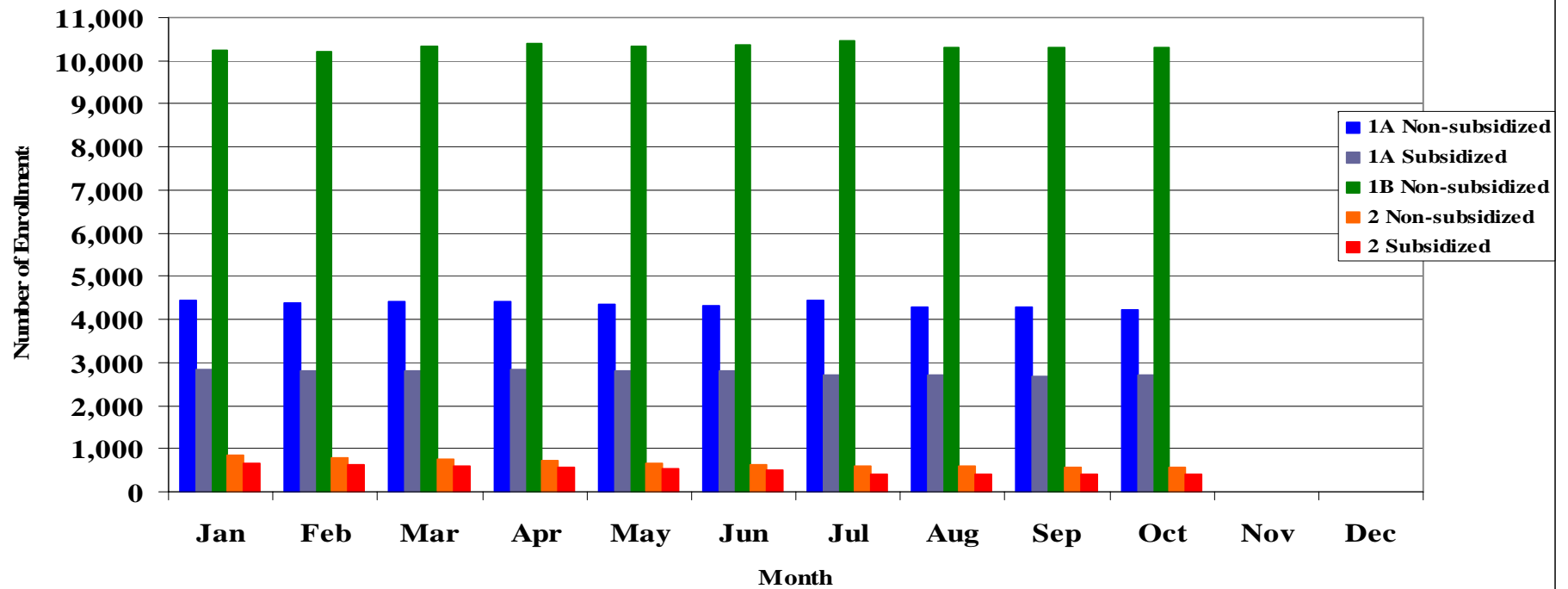
NOTES: Loss Ratio = Incurred Claims / Earned Premiums
 Earned Premium includes Premium Subsidies
 Incurred Claims include Provider Contributions
 Administrative Expenses are not included in this exhibit
 Incurred Claims and Earned Premiums are updated quarterly and restated to reflect
 the most current information available as of September 30, 2006

**WISCONSIN HEALTH INSURANCE RISK SHARING PLAN
ENROLLMENT**

**October 2006
18,230**

**October 2005
19,066**

Plan	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec
1A Non-subsidized	4,438	4,389	4,403	4,417	4,341	4,333	4,433	4,296	4,284	4,224		
1A Subsidized	2,836	2,808	2,819	2,836	2,801	2,792	2,709	2,695	2,686	2,706		
1B Non-subsidized	10,229	10,216	10,335	10,402	10,353	10,368	10,457	10,293	10,311	10,299		
2 Non-subsidized	838	786	764	717	660	644	599	586	578	579		
2 Subsidized	647	621	601	576	530	513	421	419	419	422		



WISCONSIN HEALTH INSURANCE RISK SHARING PLAN

Total Subsidy/Non-Subsidy as of October 2006 Month End

Plan			Number of Policyholders
1A	Non-subsidized		4,224
1A	Subsidized		2,706
1B	Non-subsidized		10,299
2	Non-subsidized		579
2	Subsidized		422
Total			18,230

Total Subsidy by Level

Subsidy Level	Number of Policyholders
Level 0	15,102
Level 1	403
Level 2	407
Level 3	537
Level 4	1,337
Level 5	444
Total	18,230

	Number of Policyholders
Plan 1A, Zone 1, Non-Subsidized	307
Plan 1A, Zone 1, Subsidized	263
Plan 1A, Zone 2, Non-Subsidized	1,241
Plan 1A, Zone 2, Subsidized	787
Plan 1A, Zone 3, Non-Subsidized	2,676
Plan 1A, Zone 3, Subsidized	1,656
Plan 1B, Zone 1, Non-Subsidized	619
Plan 1B, Zone 2, Non-Subsidized	3,114
Plan 1B, Zone 3, Non-Subsidized	6,566
Plan 2, Zone 1, Non-Subsidized	56
Plan 2, Zone 1, Subsidized	55
Plan 2, Zone 2, Non-Subsidized	182
Plan 2, Zone 2, Subsidized	138
Plan 2, Zone 3, Non-Subsidized	341
Plan 2, Zone 3, Subsidized	229
Total	18,230

WISCONSIN HEALTH INSURANCE RISK SHARING PLAN

Summary of Monthly Applicant Activity For October, 2006

Number of Applications Pending September	120
Number of Applications Received October	424
Number of Applications Rejected October	6
Number of Applications Closed October	73
Number of Applications Pending October	154
Number of Applications Approved October	311
Detail of Applications Rejected	
Eligible for Group Health Coverage	6
Current Medicaid Coverage	0
Not a Wisconsin Resident	0
Did not qualify for lost employer coverage.	0
65 or older	0
Previous HIRSP <12 Months Ago	0
Currently covered by other insurance	0
No Medical Reason	0
Insufficient Premium Submitted	0
Total	6
Detail of Applications Closed	
Applicant Request	8
Application Data requested; never received	1
Proper eligibility requested; never received	64
Total	73

WISCONSIN HEALTH INSURANCE RISK SHARING PLAN

Monthly Eligibility Report

October, 2006

A.	Medicare Eligible	1
B.	HIV +	4
C.	Eligible Individual	170
D.	Letter of Medical Eligibility	136
1.	Letter of Rejection By:	
	American Family	22
	American Medical Security Group	8
	American Republic	3
	Assurant Health	35
	Blue Cross & Blue Shield United of Wisconsin	52
	Celtic Life Insurance Company	1
	Continental General Insurance Company	1
	Dean Health Plan	3
	Fortis Benefits Insurance	1
	Golden Rule Insurance Company	14
	Great West Healthcare	2
	Group Health Cooperative	3
	Humana Insurance Company	36
	John Alden Life Insurance	2
	Mega Life and Health Insurance	7
	Midwest Security Life Insurance	1
	Pekin Life Insurance	7
	Physicians Mutual Insurance Company	4
	Physicians Plus Insurance	1
	Security Health Plan	12
	Trustmark	2
	United HealthCare Insurance	2
	Unity Health Plan	1
	Wisconsin Physicians Service Insurance	34
	World Insurance	2
2.	Notice of Benefit Reduction	7
3.	Notice of Premium Increase Due to a Health Reason	1
Total		311

WISCONSIN HEALTH INSURANCE RISK SHARING PLAN
MEDICAL CLAIMS DENIED REPORT*
AS OF October 2006 MONTH END (10/26/2006)

Processed Month	Plan 1A		Plan 1B		Plan 2		All Plans			Denial Rate
	Paid	Denied	Paid	Denied	Paid	Denied	Paid	Denied	Total	
October 2005	13,794	2,865	11,291	2,233	6,187	2,140	31,272	7,238	38,510	18.8%
November 2005	15,724	3,410	13,322	2,554	6,785	2,282	35,831	8,246	44,077	18.7%
December 2005	13,668	2,631	12,146	2,377	5,176	2,067	30,990	7,075	38,065	18.6%
January 2006	16,922	3,238	14,239	2,488	6,228	2,457	37,389	8,183	45,572	18.0%
February 2006	12,327	2,648	10,368	2,096	5,079	1,935	27,774	6,679	34,453	19.4%
March 2006	14,675	3,095	13,109	2,388	5,881	2,682	33,665	8,165	41,830	19.5%
April 2006	12,330	2,491	11,143	2,050	4,824	2,045	28,297	6,586	34,883	18.9%
May 2006	14,384	2,834	13,545	2,713	5,841	2,278	33,770	7,825	41,595	18.8%
June 2006	12,628	2,509	11,827	2,002	4,560	1,736	29,015	6,247	35,262	17.7%
July 2006	11,619	2,167	11,368	2,261	4,470	1,692	27,457	6,120	33,577	18.2%
August 2006	16,015	3,084	14,414	2,640	5,379	2,214	35,808	7,938	43,746	18.1%
September 2006	11,775	2,163	11,430	2,096	3,577	1,244	26,782	5,503	32,285	17.0%
October 2006	14,407	2,295	13,941	2,071	4,306	1,481	32,654	5,847	38,501	15.2%

* Claims denied by the PBM are not included. See page 30 for claims denied by the PBM.

A claim may have some paid lines and some denied lines. Therefore, a claim that has both paid and rejected lines has been counted as a paid claim and as a denied claim. This results in more total claims being reported in this report than in the report titled Claims That Have Finalized to Payment or Denial Report.

MONTH END DENIAL REASON DETAIL

Denial Reason	Volume	Top 10 Reasons for Denial
18/DU	1426	DUPLICATE CLAIM/SERVICE.
49	651	NONCOVERED SERVICES BECAUSE THIS A ROUTINE EXAM OR SCREENING PROCEDURE DONE IN CONJUNCTION OF A ROUTINE EXAM.
27/28	527	EXPENSE(S) INCURRED OUTSIDE COVERAGE PERIOD ARE NOT COVERED.
23	502	CLAIM DENIED/REDUCED BECAUSE CHARGES HAVE BEEN PAID BY ANOTHER PAYER AS PART OF COORDINATION OF BENEFITS.
51	395	THIS IS A PREEXISTING CONDITION. MEDICAL RECORDS OBTAINED FROM YOUR PROVIDER HAVE IDENTIFIED A PRE-EXISTING CONDITION.
HW	376	SERVICES PERFORMED BY A PROVIDER WHO IS NOT MEDICAID CERTIFIED ARE NOT COVERED
XZ	274	WE WILL BE ABLE TO COMPLETE PROCESSING OF THIS CLAIM WHEN WE RECEIVE THE MEDICAL RECORDS WE REQUESTED.
EM	191	WE NEED THE MEDICARE EXPLANATION OF BENEFITS TO PROCESS THIS CHARGE.
46	189	THIS (THESE) SERVICE(S) IS (ARE) NOT COVERED.
IS	156	THIS PROCEDURE IS INCIDENTAL TO AND CONSIDERED PART OF THE PRIMARY PROCEDURE.

WISCONSIN HEALTH INSURANCE RISK SHARING PLAN
PHARMACY CLAIMS DENIED REPORT
As of October 2006 Month End (10/31/2006)*

Processed Month	Denied	% of Total
October 2005	15,723	
November 2005	15,980	
December 2005	16,712	
January 2006	16,925	
February 2006	14,413	
March 2006	15,980	
April 2006	15,351	
May 2006	16,498	19.18%
June 2006	19,041	22.45%
July 2006	20,146	24.09%
August 2006	18,738	21.60%
September 2006	17,091	20.93%
October 2006	18,073	20.71%

END OF MONTH OCTOBER 2006 DENIAL REASON DETAIL

Top 10 Reasons for Denial	Volume
DUR Reject Error	5,924
Product/Service Not Covered	3,068
Plan Limitations Exceeded	2,081
Submit Bill to Other Processor or Primary Payer	1,295
Refill Too Soon	1,161
Missing/Invalid Dispense as Written Code (DAW)	641
Filled After Coverage Terminated	628
Duplicate Paid/Captured Claim	612
Missing/Invalid Other Payer ID Qualifier	487
Missing/Invalid Other Payer Amount Paid	368

*** Each prescription processed and denied is counted as one claim**

**Note the different end of month date from previous reports in this packet.
This is due to these figures being taken from a production PBM report
rather than from the current HIRSP plan administrator's reporting files.**

Wisconsin Health Insurance Risk Sharing Plan

Appeals and Grievance

October, 2006

Appeals

Total Claim Appeals Received		47
Drug & Drug Formulary	5	
Enrollment/Eligibility Requirements	20	
Not Covered Benefit	7	
Not Medically Necessary	11	
Plan Administration	4	
Eligibility Requests Closed Prior to Committee	25	
Approved	3	
Upheld Denial	18	
Partial Approval	1	
Claim Appeals Average Number of Days		5.086

Grievances

Total Claim Grievances Received		10
Enrollment/Eligibility Requirements	3	
Not Covered Benefit	3	
Not Medically Necessary	1	
Plan Administration	2	
Experimental	1	
Eligibility Requests Closed Prior to Committee	5	
Approved	0	
Upheld Denial	4	
Upheld Denial with IRO Rights	1	